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FISCAL IMPACT STATEMENT

LS 7340

BILL NUMBER: HB 1659

NOTE PREPARED: Jan 19, 2007

BILL AMENDED:

SUBJECT: Central Indiana Regional Transportation Authority.

FIRST AUTHOR: Rep. Austin

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill provides that the mayors of the four largest municipalities that are participating in the Central Indiana Regional Transportation Authority (CIRTA) and are located outside Marion County shall each appoint a member to the CIRTA board. (Current law provides that these mayors make one joint appointment to the CIRTA board.)

The bill provides that the fiscal bodies of all counties participating in the CIRTA may authorize the imposition of a property tax on behalf of the CIRTA. It specifies that the property tax rate imposed by a particular county under this provision may not exceed the rate necessary to raise an amount equal to \$0.70 per capita for that county. The bill requires that the property taxes imposed by a county on behalf of the CIRTA be transferred to the CIRTA and it provides that the property tax levy limits do not apply to property taxes imposed by a county on behalf of the CIRTA. The bill also requires that at least 75% of the property tax revenue transferred to the CIRTA be used for the operation of mass transit and for planning and studies related to mass transit.

Effective Date: July 1, 2007.

Explanation of State Expenditures: The potential additional levy under this proposal would be eligible for Property Tax Replacement Credits and Homestead Credits in the amount of \$289,000 per year beginning in CY 2008. Subject to appropriation and at the maximum levy allowed under this proposal, the state's expense for PTRC and Homestead Credit could increase by \$114,000 in FY 2008 and \$289,000 in all other years.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: The CIRT A includes the counties of Boone, Hamilton, Hancock, Hendricks, Johnson, Madison, Marion, Morgan, and Shelby. Under current law, the CIRT A board consists of:

- 1) Two members appointed by the Mayor of Indianapolis;
- 2) One member appointed by the Marion County Board of Commissioners (County Treasurer, County Assessor, and County Auditor);
- 3) One member appointed by the county commissioners of the other counties in the authority;
- 4) Two members appointed by the Governor;
- 5) One member representing the group of four largest municipalities outside of Marion County (Anderson, Carmel, Fishers, and Greenwood);
- 6) One member representing the group of Beech Grove, Lawrence, Southport, and Speedway; and
- 7) One member representing transportation labor.

This bill would add three members to the board so that the Cities of Anderson, Carmel, and Greenwood, and the Town of Fishers would each have their own representative on the board..

The board must met at least once each year. Board members are not entitled to a salary but are entitled to an allowance for actual expenses and mileage at the same rate as other county officials.

Beginning with taxes payable in CY 2008, the bill would also permit the participating counties to impose a property tax levy for the CIRT A in an amount that does not exceed \$0.70 per capita. A member county could not impose the levy unless the fiscal bodies of all nine counties approve it. This levy would not be subject to the counties' maximum levy limits. At least 75% of the levy proceeds must be used for mass transit operations, planning, and studies.

Based on 2000 Census estimates, maximum amount that could be levied at the \$0.70 per capita is estimated at \$1,125,000 per year.

State Agencies Affected:

Local Agencies Affected: Boone, Hamilton, Hancock, Hendricks, Johnson, Madison, Marion, Morgan, and Shelby Counties; Cities of Anderson, Carmel, and Greenwood, and the Town of Fishers.

Information Sources: Local Government Database.

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